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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/064,228	06/21/2002	Stephen M. Weeks	59472	4481

27148 7590 12/21/2006  
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EXAMINER
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BASIT, ABDUL

ART UNIT	PAPER NUMBER
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3694

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	12/21/2006	PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	10/064,228	WEEKS, STEPHEN M.	
	<b>Examiner</b>	<b>Art Unit</b>	
	Abdul Basit	3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 6/21/2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-41 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-41 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date 10/29/2002.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_.

## **DETAILED ACTION**

### ***Claim Rejections - 35 USC § 112***

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 8,9,10,27,28,29,37,38, and 39 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

2. Claim 8 is rejected because it states that a conditional remainder purchaser does not guarantee a loan, whereas claim 3, from which claim 8 is dependent upon, claims that a conditional remainder purchaser does guarantee the loan. Claim 27 has the same issue in regards to claim 23 and claim 37 has the same issue in regards to claim 34.
3. Claims 9 and 10 are also rejected because they are dependant upon claim 8. Claims 28 and 29 are rejected because they are dependent upon claim 27. Claims 38 and 39 are rejected because they are dependent on claim 37.

### ***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-4, and 7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Elizabeth Razzi's article "Buying a home in a buyer's market," published in April,

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1996 in Kiplinger's Personal Finance Magazine, in view of Lawrence Waggoner's article, "Reformulating the structure of estates: A proposal for legislative action" (Harvard Law Review, February 1972, Vol. 85, Issue 4), Murray Seasongood's article, "Drastic Pledge Agreements," published in the Harvard Law Review (vol. 29, No. 3, January 1916, pp. 278-279), "US Islamic Finance Initiatives take off" (Middle East Magazine, October 2001, Issue 316) by Leslie Goffe and official notice.

### **Claim 1**

Razzi's article discusses the procedure of buying a home. This includes entering into a contract with the seller, obtaining a mortgage, and working through the closing process. However, Razzi's article does not talk about every element of claim 1.

#### *-Regarding claim 1(a):*

Razzi's article does not provide any definition that would suggest a conditional fee purchaser and conditional remainder purchaser. Waggoner's article, "Reformulating the structure of estates: A proposal for legislative action" (Harvard Law Review, February 1972, Vol. 85, Issue 4) suggests a conditional fee purchaser and conditional remainder purchaser. Waggoner's article teaches a defeasible fee estate. According to the Merriam-Webster Online Dictionary, <http://www.m-w.com/dictionary/defeasible>, defeasible is defined as "capable of being annulled or made void." A defeasible fee estate is an estate in which the holder has a fee simple title that may be divested upon the occurrence or nonoccurrence of an event.

*-Regarding claim 1(b):*

Razzi does not discuss the signing of an agreement between the conditional fee purchaser, conditional remainder purchaser and the seller. The article "US Islamic Finance Initiatives take off" (Middle East Magazine, October 2001, Issue 316) by Leslie Goffe, suggests a real estate sales contract will be executed by a conditional fee purchaser, conditional remainder purchaser and a seller. According to the definition in the specification, a conditional remainder purchaser can be a person or a business. Islamic financed mortgages, in existence since 1997, creates co-ownership of the property between two different parties that suggest a conditional fee purchaser and a conditional remainder purchaser.

*-Regarding claim 1(c):*

The Razzi article teaches that a purchaser of real property would make a payment to the seller. One example given is in Razzi, where a procedure is given on how a buyer gives money in consideration for the purchase of a home.

*-Regarding claim 1(d):*

Razzi does not discuss the use of third party to provide funds for closing costs and a down payment. Official notice is given that one of ordinary skill in the art would be aware that a "conditional remainder purchaser" can make a payment towards closing costs and the down payment. According to the definition provided in the specification, the conditional remainder purchaser can be a business or a person. Many financial institutions help pay for the closing

costs and down payment with "100% or greater financing" programs. One example is from LFS Home Loans, [www.lfshomeloans.com](http://www.lfshomeloans.com), that provides 103% or even 107% mortgages to help with closing costs.

*-Regarding claim 1(e):*

The Razzi article suggests that a deed is recorded once all closing requirements are met. The Razzi article gives an example of closing, where the deed is transferred.

*-Regarding claim 1(f):*

Razzi does not discuss the ability of a third party to obtain property through a condition subsequent requirement in a contract. Murray Seasongood's article, "Drastic Pledge Agreements," published in the Harvard Law Review (vol. 29, No. 3, January 1916, pp. 278-279) teaches that upon a certain date, the real property may be owned outright by a condition fee purchaser, also known as a mortgagor, or may be taken by a conditional remainder purchaser, also known as a mortgagee, if conditions are not met. The article discusses the use of a pledge to take an interest in a security without going through the procedure of foreclosure.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the structure provided in Razzi with, Goffe, Waggoner, Seasongood, and official notice that exists in real estate law and business methods used in the art. One would be motivated, since the process would attempt to provide a party a bypass to a property owner's right to the equity of redemption. This would also

provide a higher level of profitability and reduction in time to take possession of a piece of property. Furthermore, one would be motivated to create ease of financing available for buyers.

- **Regarding claim 2:**

- Regarding Claim 2(a),(b), please see explanation given for claim 1(d).

- Regarding claim 2(c), please see explanation given for claim 1(f).

- Regarding claim 2(d), please see explanation given for claim 1(f).

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the structure provided in Razzi with common knowledge that exists in real estate law and business methods used in the art. One would be motivated for the same reasons as given in claim 1.

- **Regarding claim 3:**

Official notice is given that one of ordinary skill in the art would be aware that a party may guarantee the loan to a third party financial institution. An example is given at [www.national.com.au/Personal\\_Finance/0,,77228,00.html](http://www.national.com.au/Personal_Finance/0,,77228,00.html), which provides a definition of a guarantee and a guarantor.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the ability of a party to provide a guarantee on a loan with the obvious combination that exists with claim 1. Motivation exists, since this would allow for an added security for a financial institution that was focused on lending money to a purchaser who did not have sufficient income for a down payment or closing costs.

- ***Regarding claim 4:***

Razzi teaches the common practice in the area of real estate purchase allows for the buyer to pay cash in exchange for the seller's real property.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the ability of a party to pay cash for real estate with the obvious combination that was given for claim 1. Motivation exists, since this one would be able to obtain property by using a standard method of commercial transaction – paying cash.

- ***Regarding claim 7:***

Official notice is given that one of ordinary skill in the art would have common knowledge that a “conditional remainder purchaser” can also be the financier. According to applicant's definition in the specification, a conditional remainder purchaser has become the mortgagee. Please see claim 1(d) for example.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the ability for a seller to assist the buyer with the obvious combination given in claim 3. Motivation exists, since the purchaser has more resources that they can pursue for financial assistance.

6. Claims 5, 11 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Elizabeth Razzi's article “Buying a home in a buyer's market,” published in April, 1996 in Kiplinger's Personal Finance Magazine, in view of Waggoner, Seasongood, Goffe, official notice and in further view of “Mortgage contingency clauses,” by Peter Curry (Long Island Business News, 9/4/1995).



- ***Regarding claim 5:***

The article, "Mortgage contingency clauses," by Peter Curry, published on 9/4/1995 in the Long Island Business News, suggests the many different options that are available for using a contingency clause in a real estate transaction.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine Curry with the obvious combination that was given for claim 2, which is dependent upon claim 1. Motivation exists, since providing different types of contingencies in a contract allows for more flexibility in coming to an agreement between two parties.

- ***Regarding claim 11:***

Curry teaches a contract may set a price as part of the contract terms at the time of entering the conditional fee agreement. Please see claim 5 for example.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine Curry with the obvious combination in claim 1. Motivation exists for parties to come up with clear terms such as price when entering into a contract.

- ***Regarding claim 12:***

Curry teaches that a contract may set an agreed upon market value of real estate at a future date. Please see claim 5 for example.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine Curry with a contract with the obvious combination in claim 1.

Motivation exists for parties to come up with clear terms such as future price determination when entering into a contract that has future conditional requirements.

7. Claim 6 is rejected are rejected under 35 U.S.C. 103(a) as being unpatentable over h Razzi's 1996 in view of Waggoner, Seasongood, Ahli Bank, official notice and the article "What is Seller Financing," [http://www.byowner.com/data/SRES\\_booklet.pdf](http://www.byowner.com/data/SRES_booklet.pdf), (Copyright 2000. The By-Owner article teaches that a "conditional remainder purchaser" can also be the seller. According to applicant's definition in the specification, a conditional remainder purchaser is like a mortgagee in that the conditional remainder purchaser only have a future interest in the event of a particular occurrence. The By Owner website teaches that a seller can act as a mortgagee on real estate property.

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the ability for a seller to assist the buyer, as taught by By-Owner, with the obvious combination given in claim 1. Motivation exists, since the purchaser has more resources that they can pursue for financial assistance.

8. Claims 13-15 and 17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Razzi's in view in of Waggoner, Seasongood, Goffe, official notice, and in further view of Verba et al (U.S. Pat. No. 6,236,977).

- ***Regarding claim 13:***

Razzi's article discusses the procedure of buying a home. This includes entering into a contract with the seller, obtaining a mortgage, and working through the closing process. However, Razzi's article does not talk about every element of claim 13.

-*Regarding Claim 13(a):* Verba teaches the use of storing information regarding

real estate transactions. (Column 1 and 2 generally)

*-Regarding Claim 13(b): Please see claim 1(a).*

*-Regarding Claim 13(c): See claim 13(a).*

*-Regarding claim 13(d): See claim 1(b).*

*-Regarding claim 13(e): See claim 13(a).*

*-Regarding claim 13(f): See reasoning given in claim 1(c).*

*-Regarding claim 13(g): See reasoning given in claim 1(d).*

*-Regarding claim 13(h): See reasoning given in claim 1(e).*

*-Regarding claim 13(i): See reasoning given in claim 1(f).*

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the structure provided in Razzi, Waggoner, Seasongood, Goffe, and official notice with Verba. One would be motivated, since the process would attempt to provide a party a bypass to a property owner's right to the equity of redemption. This would also provide a higher level of profitability and reduction in time to take possession of a piece of property. Furthermore, one would be motivated to enter information into a computer system to maintain reliable information on transactions.

9. ***Regarding claim 16:*** Please see reasoning given in claim 5 for obvious combination with claim 13.

10. ***Regarding claim 18:*** Please see reasoning given in claim 11 for obvious combination with claim 13.

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11. **Regarding claim 19:** Please see reasoning given in claim 12 for obvious combination with claim 13.

12. **Regarding claim 20:** See claim 13(a) and See claim 13 reasoning for obviousness.

13. Claims 21-23, and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Razzi in view of Waggoner, Seasingood, Goffe, official notice, and in further view of Michael D. Larson's article, "Hard Money Lenders: The source for last resort loans," published on April 27, 2001 at [www.bankrate.com/brm/news/mtg/20000831.asp](http://www.bankrate.com/brm/news/mtg/20000831.asp).

- **Regarding claim 21:**

Razzi's article discusses the procedure of buying a home. This includes entering into a contract with the seller, obtaining a mortgage, and working through the closing process. However, Razzi's article does not talk about every element of claim 21.

-*Regarding claim 21(a):* Razzi does not mention seeking a third party to purchase a home with. Michael D. Larson's article, "Hard Money Lenders: The source for last resort loans," published on April 27, 2001 at [www.bankrate.com/brm/news/mtg/20000831.asp](http://www.bankrate.com/brm/news/mtg/20000831.asp). Larson suggests how a private investor – conditional remainder purchaser may seek a home purchaser – conditional fee purchaser to provide un-conventional loans to help a home purchaser.

-*Regarding claim 21(b):* Please see reasoning given in claim 1(a).

-*Regarding claim 21(c):* Razzi teaches locating a piece of real property where there is an interest in purchasing.

*-Regarding claim 21(d):* Please see reasoning given in claim 1(b).

*-Regarding claim 21(e):* Please see reasoning given in claim 1(d).

*-Regarding claim 21(f):* Please see reasoning given in claim 1(c).

*-Regarding claim 21(g):* Please see reasoning given in claim 1(e).

*-Regarding claim 21(h):* Please see reasoning given in claim 1(f).

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the structure provided in Razzi with Ahli Bank, Waggoner, Seasongood, Larson and with official notice that exists in real estate law and business methods used in the art. One would be motivated, since the process would attempt to provide a party a bypass to a property owner's right to the equity of redemption. This would also provide a higher level of profitability and reduction in time to take possession of a piece of property. Also one would be motivated to have a conditional remainder purchaser/investor seek a potential home purchaser since this would lead to a business transaction.

- ***Regarding claim 22:*** Please see reasoning given in claim 2, for obvious combination with claim 21.
- ***Regarding claim 23:*** Please see reasoning given in claim 3, for obvious combination with claim 21.

14. *Regarding claim 24:* Please see reasoning given in claim 5, for obvious combination with claim 21.

15. *Regarding claim 25:* Please see reasoning given in claim 6, for obvious combination with claim 21.

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16. *Regarding claim 26:* Please see reasoning given in claim 7, for obvious combination with claim 21.

17. *Regarding claim 30:* Please see reasoning given in claim 11, for obvious combination with claim 21.

18. *Regarding claim 31:* Please see reasoning given in claim 12, for obvious combination with claim 21.

19. Claims 32-34 are rejected under 35 U.S.C. 103(a) as being unpatentable over Razzi in view of Waggoner, Seasingood, Ahli Bank, official notice, and Larson.

- ***Regarding claim 32:***

Razzi's article discusses the procedure of buying a home. This includes entering into a contract with the seller, obtaining a mortgage, and working through the closing process. However, Razzi's article does not talk about every element of claim 32.

-*Regarding claim 32(a):* Razzi does not mention seeking a third party to purchase a home with. Larson does suggest how a home purchaser may seek a private lender – conditional remainder purchaser. Larson discusses how a home purchaser can find private lenders for a variety of financial solutions.

-*Regarding claim 32(b):* Please see reasoning given in claim 1(a).

-*Regarding claim 32(c):* Please see reasoning given in claim 21(c).

-*Regarding claim 32(d):* Please see reasoning given in claim 1(b).

-*Regarding claim 32(e):* Please see reasoning given in claim 1(c).

-*Regarding claim 32(f):* Please see reasoning given in claim 1(d).

-*Regarding claim 32(g):* Please see reasoning given in claim 1(e).

*-Regarding claim 32(h):* Please see reasoning given in claim 1(f).

It would be obvious to one of ordinary skill in the art at the time of applicant's invention to combine the structure provided in Razzi with Goffe, Waggoner, Seangood, Larson and with official notice that exists in real estate law and business methods used in the art. One would be motivated, since the process would attempt to provide a party a bypass to a property owner's right to the equity of redemption. This would also provide a higher level of profitability and reduction in time to take possession of a piece of property. Also one would be motivated to have a conditional fee purchaser/home buyer seek a potential investor since this would lead to a business transaction.

- ***Regarding claim 33:*** Please see reasoning given in claim 2, for obvious combination with claim 32.
  - ***Regarding claim 34:*** Please see reasoning given in claim 3, for obvious combination with claim 32.
  - ***Regarding claim 35:*** Please see reasoning given in claim 4, for obvious combination with claim 32.
20. ***Regarding claim 36:*** Please see reasoning given in claim 5, for obvious combination with claim 32.
21. ***Regarding claim 40:*** Please see reasoning given in claim 11, for obvious combination with claim 32.
22. ***Regarding claim 41:*** Please see reasoning given in claim 12, for obvious combination with claim 32.

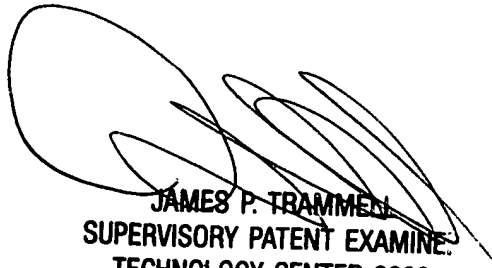
**Conclusion**

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Abdul Basit whose telephone number is 571 272-7246. The examiner can normally be reached on Monday - Friday, 8:30am to 5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 571 272 6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

AQB

  
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